

**STATE PETROLEUM BOARD MEETING TO REVIEW CLAIMS  
BOARD MEETING MINUTES  
June 7, 2007**

**I. CALL TO ORDER**

Chairman Haycock called the meeting to order from the Las Vegas location at 10:00 a.m. The meeting was conducted via videoconference with locations in Las Vegas at Nevada Division of Environmental Protection (NDEP), 2030 E. Flamingo Rd. Ste. 230, and in Carson City at the Bryan Building, 901 South Stewart St, 2<sup>nd</sup> Floor Multipurpose Room.

- A. **LAS VEGAS: BOARD MEMBERS PRESENT** – Chairman John Haycock; Mr. John Meeters; Mr. George Ross.

**OTHERS PRESENT IN LAS VEGAS** – State Attorney General's office Ms. Rose Marie Reynolds; NDEP, Mr. Jim Najima, Mr. Todd Croft, Mr. JD Dotchin, Ms. Shannon Harbour; Stewart Environmental, Mr. Keith Stewart; TRC, Ms. Audre Puskorius and Ms. Terre Maize; and ATC Associates, Mr. Rex Heppe.

**CARSON CITY: BOARD MEMBERS PRESENT** – Ms. Joanne Blystone; Mr. Edgar Roberts; Mr. Leo Drozdoff; Mr. Jim Wright.

**OTHERS PRESENT IN CARSON CITY** – NDEP, Mr. Hayden Bridwell, Mr. Steve Fischenich, Ms. Victoria Joncas, Mr. Art Gravenstein, Ms. Keli Stoeffler, Mr. John Walker, Mr. Tom Porta; and Broadbent and Associates Inc., Mr. Scott Keesey.

Mr. Bridwell advised Board Members that there has been a modification to Item No. VI.A., Resolution No. 2007-07 to Reduce Fund Coverage for 7-Eleven #22272. That item was removed from the agenda at 7-Eleven's request.

Mr. Bridwell welcomed Mr. George Ross who is attending his first Petroleum Board meeting and has replaced Ms. Linda Bowman's position.

**II. APPROVAL OF THE AGENDA**

**Mr. Roberts moved to approve the Revised Agenda. Mr. Meeters seconded the Motion. Motion carried unanimously.**

### **III. APPROVAL OF THE MARCH 8, 2007 MINUTES**

**Mr. Roberts moved to approve the Minutes. Ms. Blystone seconded the Motion. Motion carried unanimously.**

### **IV. STATUS OF THE FUND**

Mr. Bridwell reported a Fund balance forward from fiscal year 2006 of approximately \$4.70 million. There has been a collection of \$425,600 in tank enrollment fees and the registration of above-ground marina storage tanks. Pursuant to our new above-ground marina storage tank regulations, owners of such tanks are required to pay a \$50 a year tank registration fee. This fee is above and beyond the \$100 a year Fund enrollment fee.

Approximately \$8.96 million has been collected this fiscal year from the  $\frac{3}{4}$  cent a gallon petroleum fee, resulting in a total Fund revenue of approximately \$14.31 million. Total expenditures from the Fund this fiscal year have been approximately \$5.55 million, of which approximately \$5.01million has been for the reimbursement of claims. Current Fund liabilities equal approximately \$1.03 million, leaving a remaining Fund balance of approximately \$7.73 million.

Today staff is recommending the approval of approximately \$1.66 million in reimbursement. If the Board approves all reimbursement recommendations, a balance of \$6.07 million will remain in the Fund.

As stated at the last Board meeting, the forecast Fund balance at the end of fiscal year 2007 should be approximately \$10.5 million, and DMV will cease collecting the  $\frac{3}{4}$  cent a gallon fee on July 1, 2007. The fee will not be collected for fiscal year 2008. Staff will update the Board on whether the fee will be collected for fiscal year 2009 at the March and June 2008 Board meetings.

### **V. EQUIPMENT TRANSFER / SALES**

#### **A. Resolution to Authorize the Transfer of Remediation Equipment Ownership from Winner's Corner Store #14, Petroleum Fund Case No. 1999000252 to the Waterhole Facility, Petroleum Fund Case No. 1999000273, Resolution No. 2007-06**

Mr. Bridwell presented this resolution. Winner's Corner Facility #14, located at 219 Pyramid Highway in Sparks, Nevada, formerly owned a Solleco soil vapor extraction system with a thermal/catalytic oxidizer. Winner's Corner began using the system on January 30, 2003 and took it out of service on March 30, 2004 after it had successfully remediated contaminated soils at the site.

The Waterhole facility, located at 475 North Moapa Boulevard in Overton, Nevada, has taken ownership of the system for remediation activities at that site. The depreciated value of the system at the time of transfer was \$20,975. This amount has been credited to the Winner's Corner #14 account, and the same amount has been debited to the Waterhole account.

**Ms. Blystone moved to approve Agenda Item No. V.A., Mr. Roberts seconded the Motion. Motion carried unanimously.**

## **VI. DETERMINATION OF FUND ELIGIBILITY / COVERAGE**

### **A. Resolution No. 2007-07 to Reduce Coverage for the 7-Eleven #22272, 870 E. Lake Mead Pkwy., Henderson, NV., State Facility No. 8-000577, Petroleum Fund Case No. 2007000009**

Item No. VI.A., Resolution No. 2007-07 to Reduce Fund Coverage for 7-Eleven #22272 has been removed from the agenda at 7-Eleven's request.

## **VII. ADOPTION OF CONSENT ITEMS**

### **STATE BOARD TO REVIEW CLAIMS**

**JUNE 7, 2007**

#### **HEATING OIL**

1.#	1992000102H	Lyon County School District: Yerington Elementary
2.#	2007000013H	Churchill County School District: Bus Barn
3.#	2007000017H	Barbara James: James Residence
4.#	2007000020H	Jim & Nancy Greenhalgh: Greenhalgh Property
5.#	2007000022H	Savoy Motel Partnership: Savoy Motor Lodge

#### **NEW CASES, OTHER PRODUCTS**

1.#	2007000010	Vintage Land Holdings, LLC: Former ARCO #5310
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#### **ON GOING CASES**

1.#	1991000059	BP West Coast Products, LLC: ARCO #2137
2.#	1992000014	BP West Coast Products, LLC: ARCO #6068

**ON GOING CASES CONTINUED**

3.#	1992000034	PDQ Stores, Inc.: PDQ #508
4.#	1992000087	Anderson Dairy, Inc.: Anderson Dairy
5.#	1993000011	7-Eleven, Inc.: 7-Eleven #29646
6.#	1993000051	BP West Coast Products LLC: ARCO #4950
7.#	1993000102	Rebel Oil Company: Rebel #8
8.#	1993000103	Russell Yardley: Charlie Brown Construction
9.#	1994000003	Allied Washoe: Allied Petroleum - Reno
10.#	1994000028	7-Eleven, Inc.: 7-Eleven #20084
11.#	1994000065	Avis Rent A Car Systems: Avis Rent A Car
12.#	1994000067	Peppermill, Inc.: Former Mesquite Truck Stop
13.#	1994000086	Falconi Motors, Inc.: Falconi's Tropicana Honda
14.#	1994000120	Conoco Phillips Company: Union 76 #3846
15.#	1994000122	Gary Michelsen: Mike's Gas-A-Mart
16.#	1994000125	Conoco Phillips Company: Union 76 #5558
17.#	1995000022	Conoco Phillips Company: Union 76 #4370
18.#	1995000028	Gita Corporation: Gita Corporation Facility
19.#	1995000029	BP West Coast Products LLC: ARCO #1903
20.#	1995000039	Al Park Petroleum, Inc.: Crescent Valley Market
21.#	1995000042	FBF, Inc.: Fayeghi Texaco
22.#	1995000074	Vera Hester: Glendale Service Facility
23.#	1995000080	Churchill County: Churchill County Road Department
24.#	1995000105	Redman Petroleum Corp.: Redman Petroleum
25.#	1995000142	7-Eleven, Inc.: 7-Eleven #29644
26.#	1996000026	Moapa Valley Credit Union: Former Russ Auto
27.#	1996000063	Joan Pennachio: V&V Automotive
28.#	1996000064	H&A Esslinger Trust: Red Rock Mini Mart
29.#	1996000101	Conoco Phillips Company: Circle K #695
30.#	1997000008	Ewing Brothers, Inc.: Ewing Brothers Facility
31.#	1997000093	Conoco Phillips Company: Union 76 #5257
32.#	1998000016	Conoco Phillips Company: Circle K #1366
33.#	1998000025	Washoe Co. School Dist.: Getto Transportation
34.#	1998000046	Willdens Automotive Holdings: Allstate Rent A Car
35.#	1998000068	Conoco Phillips Company: Conoco #28003
36.#	1998000073	City of Reno: City of Reno Police Station
37.#	1998000075	Anne Dufurrena: McDermitt Service Motel
38.#	1998000080	Seven Crown Resorts: Echo Bay Resort
39.#	1999000012	BP West Coast Products LLC: ARCO #5319

**ON GOING CASES CONTINUED**

40.#	1999000015	Terrible Herbst Oil Company: Terrible Herbst #144
41.#	1999000017	Reed, Inc.: Reed R-Place Shell
42.#	1999000022	Terrible Herbst Oil Company: Terrible Herbst #129
43.#	1999000037	Longley Construction Company: Longley Construction
44.#	1999000061	Rich Sorani: Former Rich's Unocal
45.#	1999000066	Haycock Petroleum Company: Haycock Petroleum
46.#	1999000089	Jerry Maeder: Jerry's Shell Station
47.#	1999000090	Haycock Petroleum Company: Haycock Petroleum
48.#	1999000104	Terrible Herbst Oil Company: Terrible Herbst #118
49.#	1999000108	Gold Ranch Casino: Gold Ranch Casino
50.#	1999000117	Berry-Hinckley Industries: Berry-Hinckley #45
51.#	1999000135	Terrible Herbst Oil Company: Terrible Herbst #106
52.#	1999000137	Terrible Herbst Oil Company: Terrible Herbst #152
53.#	1999000155	Varney Padgett: Old Washoe Station
54.#	1999000167	City of Las Vegas: Fire Station #1
55.#	1999000186	Gloria Pilger: Former D&G Oil Facility
56.#	1999000199	Mary Ann Ferguson: Lakeshore Orbit Station
57.#	1999000204	Berry-Hinckley Industries: Trailside General Store
58.#	1999000224	BP West Coast Products LLC: ARCO #5326
59.#	1999000237	Ralph Lisle: Beatty General Store
60.#	1999000244	7-Eleven, Inc.: 7-Eleven #22070
61.#	1999000257	University of Nevada: Newlands Agriculture
62.#	1999000273	V.K. Leavitt: The Waterhole
63.#	1999000275	Conoco Phillips Company: Circle K #1248
64.#	1999000276	Robert Harris: Pecos Station Texaco
65.#	2004000027	BP West Coast Products LLC: ARCO #5309
66.#	2004000029	V-R Property Management: Gas-N-Save
67.#	2005000002	Carson Valley Oil Co., Inc.: Carson Valley Oil
68.#	2005000004	7-Eleven, Inc.: 7-Eleven #21285
69.#	2005000018	BP West Coast Products LLC: ARCO #1718
70.#	2005000021	Berry-Hinckley Industries: Berry-Hinckley #95
71.#	2005000025	Bordertown, Inc.: Winner's Corner
72.#	2005000039	Time Oil Company: Taylor Street Market
73.#	2005000044	Ewing Brothers, Inc.: Ewing Brothers Inc.
74.#	2007000002	Berry-Hinckley Industries: Berry-Hinckley #201

**Ms. Blystone moved for approval of Item No. VII, Heating Oil, A, 1 through 5, New Cases/Other Products, B, 1, On Going Cases, C, 1 through 74 Mr. Roberts seconded the Motion. Discussion followed.**

Chairman Haycock disclosed under On Going Cases C, Items No. 45 and 47, Haycock Petroleum Company: as of the date of this claim Chairman Haycock was an owner of the company. By way of interest, Chairman Haycock, the former stockholder of the company will retain the responsibility for this clean up. The payee will be shifting, however, for the time being. Chairman Haycock acknowledged that at the time of these claims, he was an owner of the company and therefore he has a vested interest in those cases and will abstain from voting on those two items.

Mr. Ross disclosed he was an ARCO employee and still has BP options.

Chairman Haycock indicated it was not material.

**Motion carried unanimously.**

## **VIII. EXECUTIVE SUMMARY**

Mr. Bridwell reported the status of the Fund for the fiscal year 2007 which began July 1, 2006, NDEP has received 24 new cases for evaluation of Petroleum Fund coverage. Since inception of the program, 1,299 cases have been evaluated for reimbursement. There are currently 163 active remediation sites expected to continue with requests for reimbursement. A total of 957 cases have been closed, a total of 111 cases have been denied coverage, and 44 cases have expired (meaning that an initial claim was not submitted within 12 months from the date of discharge discovery). A total of 24 cases are currently in a pending status, awaiting either submittal of additional information or initial staff evaluation for coverage.

Not counting today's Board authorization, over \$133.2 million has been reimbursed, adding today's reimbursement recommendations, over \$134.8 million will have been reimbursed from the Petroleum Fund to date.

To date, 1,428 facilities have been invoiced for Fund enrollment for fiscal year 2007 at \$100 per petroleum tank system. 1,406 facilities have paid since invoicing began on August 1, 2006. 98.5% of invoiced enrollment fees have been received to date. Currently there are 3,695 USTs systems and 431 above-ground petroleum tank systems enrolled in the Fund, for a total of 4,126 tank systems.

1,369 certificates of Petroleum Fund enrollment have been issued. Enrollment for 34 UST facilities are pending receipt of leak detection verification. Per statute, above-ground petroleum tanks initially enrolling in the Fund must undergo a 6-month waiting period before enrollment takes effect. Currently, there are 3 above-ground tank systems in that waiting period.

#### **IX. PUBLIC FORUM**

There were no requests to speak presented to the Board.

#### **X. CONFIRMATION OF NEXT MEETING DATE**

It was confirmed that the next meeting date will be Thursday, September 6, 2007.

#### **XI. ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:16 am.